

**RECORD OF PROCEEDINGS OF THE GOVERNING BODY  
CITY OF GARDNER, KANSAS**

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June 21, 2021

The City Council of the City of Gardner, Kansas met in regular session on June 21, 2021, at 7:00 p.m. in the Council Chambers at Gardner City Hall, 120 East Main Street, Gardner, Kansas, with Council President Todd Winters presiding. Present were Councilmembers Mark Baldwin, Kacy Deaton, Randy Gregorcyk, and Tory Roberts. City staff present were City Administrator James Pruetting; Deputy City Administrator Amy Nasta; Finance Director Matthew Wolff; Police Chief James Belcher; Utilities Director Gonzalo Garcia; Parks and Recreation Superintendent Adraina Holopirek; Community Development Planner Bob Case; Public Works Director Kellen Headlee; City Attorney Spencer Low; and City Clerk Sharon Rose. Others present included those listed on the sign-in sheet and others who did not sign in. Mayor Steve Shute was absent.

**CALL TO ORDER**

There being a quorum of Councilmembers present, Council President Winters called the meeting to order at 7:00 p.m.

**PLEDGE OF ALLEGIANCE**

Council President Winters led those present in the Pledge of Allegiance.

**PRESENTATIONS**

**1. Presentation of the 2020 Audit and Comprehensive Annual Financial Report**

Finance Director Matt Wolff said this is the seventeenth year that the City has prepared a Comprehensive Annual Financial Report; all sixteen previous annual financial report were award winners. In the continued pursuit of excellence, the latest annual report will again be submitted for a Certificate of Achievement for Excellence in Financial Reporting with the Government Finance Officers Association (GFOA). The City's independent auditing firm, Allen, Gibbs & Houlik, L.C. completed the audit of the 2020 financial records. Mike Lowry, Senior Vice President, Assurance, and Brian Holst, Senior Management, Assurance, with AGH will present the completed 2020 Audit to the governing body. Mr. Holst said included in the financial audit is compliance with laws and regulations, internal control processes, and ensuring that the city's books and records accurately reflect the year. He reported they didn't find any problems or issues. The audit opinion is 'unmodified', which is the best opinion they can get. Mr. Holst shared information on the single audit, which occurs when the city receives more than \$750,000 in federal funding in a year. The additional \$650,000 received in COVID funding pushed the city over the threshold. There were no findings or issues. The packet included the governance letter, which includes several items of required communication. There was nothing new to implement this year. The audit went smoothly, and there were no major adjustments. The main accounting estimates are related to pension and retiree health benefits. The liabilities for those are calculated by external actuaries, and then AGH recalculates the amounts to make sure they are recorded in the city's financials appropriately. Additionally, they review the city's utility allowance for receivables. Because audit went smoothly, there were no major problems, and there were no findings. The city was well prepared for the audit. They appreciate Mr. Wolff, Nancy Torneden, and Jackie Schulz for their preparation. The city has a great staff.

**2. Presentation of GFOA's Distinguished Budget Presentation Award**

Council President Todd Winters said the GFOA has awarded the city with the Distinguished Budget Presentation Award for its biennial budget for the fiscal year beginning January 1, 2021. This is the 7th consecutive year the city has received this distinguished award. The award reflects the commitment of the governing body and staff to meet the highest principles of governmental budgeting. To receive the budget award, the city satisfied nationally recognized guidelines for effective budget presentation. These guidelines are designed to assess how well an entity's budget serves as a policy document, a financial plan, an operations guide, and a communications device. Budget documents must be rated "proficient" in all four categories, and the fourteen mandatory criteria within those categories, to receive the award. To say they have an excellent staff is an understatement.

**3. 2021-2022 Budget**

Finance Director Matt Wolff said the governing body formally approved the 2021 budget and conditionally approved the 2022 budget last year. The proposed 2022 budget is substantially the same except for adjustments in revenues,

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personnel requests, and vehicle requests. Revenues are strong. the 2021 YTD sales and use tax is approximately \$338,000 or 16% increase over 2020 YTD, based on 5 months of data. The new valuation estimate saw a 7% increase. The current mill rate is 20.665; the revenue neutral rate (RNR) is 19.278. There are pending tax appeals that could lower the 2021 estimated assessed value. Keeping a flat mill rate and capturing the valuation increase would increase property taxes on the average Gardner single-family home by \$3.26 a month. For this analysis, the assumed average Gardner home appraisal is \$245,000. RNR would decrease the mill rate by 1.387. The value of a mill is approximately \$247,000. This would lower property tax collections by \$342,000. It would lower the city's allocation of motor vehicle tax and county sales tax in future budgets. There are 7 new position requests for the 2022 budget year, with an estimated salary increase of \$349,300. Staff will begin the hiring process for most of the positions in the 4<sup>th</sup> quarter of 2021, but the positions will not be filled until 2022. There are three position reclassifications in the 2022 budget and a merit pool increase of 3% or \$283,100. Other budget requests include a Vehicle & Equipment Replacement Fund (VERF). This would create a fund for replacement of vehicles and equipment, identify a mechanism for funding of fleet assets, move toward centralized fleet management, and establish a budget placeholder. The funding mechanism would include annual contributions from departments/funds to the VERF based on vehicle or equipment replacement cost, inflation factor, and expected useful life of the asset. The VERF excludes Electric Utility and Police Department. Vehicles and equipment from these departments are not currently managed by PW Operations/Fleet Services. There is \$190,000 budgeted for Police Department patrol vehicle replacements in the General Fund. Staff is researching best practices for evaluating and authorizing the purchase, replacement, elimination, and disposition of vehicles and equipment based upon age, maintenance history/costs, utilization, and business needs. It's requested that the 2021 revised budget and 2022 budget include placeholders for funding this program. Staff will continue to develop the program and bring it back to council for approval prior to spending the funds. The target General Fund balance is 30%. Staff predicts the end of 2021 will be 38%, inflated due to the CARES money received and strong sales tax performance. By the end of 2022, it would drop to 33%, and the 2025 projection is back to the target 30%. Staff seeks direction from council on new positions, vehicle replacement, and mill levy.

Councilmember Baldwin asked how staff projects the sales tax number. Wolff said it will plateau; sales tax is volatile. City sales tax is currently better than county sales tax. In the out years, they show a 3% increase for city sales tax and 2% for county, but it will vary on the year. The further out, the less they show in assumption growth.

Councilmember Deaton asked if a civilian position was discussed in the Police Department. City Administrator Pruetting confirmed. They had 17 position requests. Staff prioritized them, held meetings, and narrowed to the list included. There is no need at this time for more front desk clerks; there hasn't been a service demand. The police officer positions are more important. Councilmember Roberts is okay with positions, but noted the pay seems low for police officers. Pruetting said other positions and wage growth are catching up.

Councilmember Gregorcyk noted concerns that the mill rate loses 1.3 with Senate Bill 13. Wolff said that's if they choose to stay at the Revenue Neutral Rate (RNR). They will need to notify the county by July 20 if they plan to exceed or maintain the revenue neutral rate. Gregorcyk clarified that one mill is \$247,000. Wolff confirmed and noted it changes every year. Roberts inquired if they keep the RNR, would they have enough funding to support the requests, or do they need to keep the current mill rate. Wolff said it will have a large impact on the fund balance in the out years. It's not just \$340,000 this year, but all future years.

Councilmember Winters said this is something they decide annually. Starting behind is not a good way to do it. What does the \$231,000 in the general fund for the vehicle replacement fund cover? Wolff said the new program evaluates the fleet, considers replacement costs, and divides it by the useful life of the asset. That calculates an annual contribution. Over time, the VERF should cover the replacement of all vehicles. It does not include Police in the general fund. Pruetting said it would avoid surprise replacements. If a vehicle comes up for replacement, but is still functional, they can put off replacement and adjust the fund accordingly. They have vehicles that need to be replaced now, but don't have funding. They do a good job of rotating police cars. Now is the time to add the fund so they know the expenses on an annual basis. Gregorcyk asked what is the percentage that each department contributing. Director Headlee said the dollar amounts correspond to the vehicles' annualized capital replacement

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costs. The annual dollar values would shift, and staff can adjust the fund every year, but the intention is to annualize the capital replacement cost of the fleet.

Councilmember Deaton asked if the projections are keeping mill levy the same. Wolff said yes, the fund balance projections include all the position and vehicle requests and assume a flat mill levy. Gregorcyk clarified at 20.665. Wolff confirmed and noted it would add \$3.26 per month extra property tax. If they stay revenue neutral, they drop to a fund balance of 24% by 2025. They can go in between if that is what the governing body wants. Roberts supports holding the current rate. Councilmember Baldwin disagrees; not seeing the problem in going down to 24-25 percent in the fund balance because they will still have good bond rating. By 2025, they could have new tax revenue coming in from the Grata development. If they need to adjust, it will be a smaller amount spread across more buildings. He supports the RNR. Gregorcyk said they may not get 100% credit for the growth with Grata. Pruetting said its speculation. If something goes wrong, it's better to be in a position of strength. Baldwin said they will still be in a good position next year and can see how the development progresses. They don't have to make a 5-year decision now. Then can adjust the mill the next year. Gregorcyk asked what the savings is to the resident going from 20.665 to 19.278. Wolff said they would pay the same they paid the previous year, or slightly less with new growth. Staff presented it this way because of the sewer infrastructure that is coming. When updating rate studies, staff will expand the conversation to the total cost of government. As sewer rates go up, they can look at electric or mill rate reduction to offset the increase versus a new tax. Gregorcyk asked what it would look like to go with the RNR and would they be able to fund to the whole. Wolff said the fund balance would drop to 24% by 2025. They would be able to fund everything, but it would create a long-term deficit. The further out in the forecast, it drops significantly after 2025. If that is council's direction, they may discuss removing some requests so they don't create a structural deficit. Gregorcyk suggested a side-by-side comparison. Wolff said they have a timeline to inform the county if they intend to exceed or maintain the RNR. If there isn't support to go lower than the RNR, they should inform the county. The state recommends informing the county and holding a public hearing even if they plan to maintain the RNR. The way it's calculated, they could be penalized by tax appeals if they don't.

Councilmember Winters noted it sounds like they have consensus to keep or exceed the current mill rate. Wolff asked what information the council needs in the near future. Gregorcyk asked what it looks like to reduce to the RNR and fund the requests. Wolff said the fund balance drops to 24% by 2025. After that, it drops more because long-term forecasts assume that costs go up faster than revenues. They can fund all requests, but they will spend down the fund balance more quickly. Pruetting said, before the pandemic, the goal was between 23-25%. The city was low in county municipalities and less prepared for emergency. They managed it, but if they had been in a position of weakness, it could have affected the bond rating and the level of city services. That prompted changing the target to 30%. There is a desire to lower taxes, but they don't know what will happen in the next year, or when the federal funds stop. They don't know what that will do to sales tax numbers, or what it will do to the long-term financial outlook. Wolff said another reason for maintaining a 30% fund balance is that they have taken on more debt in recent years with the growth experienced, and they will need to take on more with sewer infrastructure coming. Knowing that the debt load is getting heavier, it shows strength to boost reserves and gives comfort to rating agencies. Winters doesn't want to raise taxes, but keeping the mill level where it is puts the city in a better position as they look ahead. If the fund balance is even higher next year, they can reduce. Roberts agreed, saying that there are many unknowns. They don't want to get too low; she supports the current mill rate. Baldwin asked what fund balance is comfortable for everyone. Roberts said 30% is okay, but that puts them too low in 5 years. Baldwin suggests having 2022 go down to 30% and adjust it then. There is no gain of doing it today; give it to the people for a year. If they prefer another number, they need to decide that. Pruetting said when they had a large fund balance, and started to spend it down on an annual basis, the fund balance was going down. During a pandemic, they wouldn't have been able to arrest the fall without making cuts to services or staff. When the fund balance was going down, they were spending early with no plan to stop. The growth captured wasn't enough to stop the fall of the fund balance. Wolff noted adding expenditures is not a one-time thing. When they add positions, they create structural deficits. The balance goes from 38 to 33 to 30, but it flattens out to land on the target fund balance over time. They add recurring expenditures that draw down the fund balance, but do it in a way that by the end of the five-year forecast, they are structurally balanced. Baldwin asked what the 2022 target fund balance will be if they don't add positions or the VERF. Wolff doesn't have in front of him. Baldwin said if it's still 35%, and the

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target is 30%, they have collected too much money from residents. They don't need to make a decision to spend a lot or keep mill rate the same this year. There will be more to spread it over in the coming years. Gregorcyk doesn't have enough data to make a good recommendation. Winters said they have consensus to keep the mill the same or go revenue neutral. Wolff asked if they want to see structural deficits under different scenarios. Do they want to capture the valuation to support the positions and vehicle requests? What information does council want to see? Baldwin said staff did a good job of making the numbers match the mill levy difference. There's an option to do none of those changes, or pieces of the changes. All the options will change the numbers. From the current numbers, the fund balance will be up if they do anything other than accept everything. Wolff said when setting budget policy, they can determine if they don't want to replace certain positions or set the vehicle program. If they think it's necessary for the community, it's up to where they want the mill rate. They could set the target mill rate, and staff can return with recommendations to get to that level. The city administrator and directors can prioritize the requests. They can capture all valuation or they could go through the neutral rate, but new improvements may be 1.5 and they account for inflation and come in at 3.5%. It depends on the level of service they want to provide based on new positions and equipment versus where they want the mill. Baldwin said they have numerous options. Deaton supports keeping the mill levy the same as it is currently. Winters suggests sending questions to staff over the next two weeks, but they have consensus to notify the county that they will remain revenue neutral or higher.

**PUBLIC HEARINGS**

**PUBLIC COMMENTS**

No members of the public came forward.

**CONSENT AGENDA**

- 1. Standing approval of the minutes as written for the regular meeting on June 7, 2021**
- 2. Standing approval of City expenditures prepared June 1, 2021 in the amount of \$10,925.20; June 4, 2021 in the amount of \$808,906.30; June 7, 2021 in the amount of \$22,154.82; and June 10, 2021 in the amount of \$950,861.01**
- 3. Consider authorizing the execution of a contract with Gardner Animal Hospital for animal boarding and care**
- 4. Consider authorizing a contract with Brungardt Honomichl & Co., P.A. (BHC) for construction inspection services on the US-56, Sycamore to Old 56 Reconstruction Project**
- 5. Consider authorizing the execution of U.S. Department of the Treasury Coronavirus State and Local Fiscal Recovery Funds Terms and Conditions and Title VI Assurances in connection with the American Rescue Plan Act**
- 6. Consider authorizing the execution of a contract with Cohorst Enterprises Inc. to abandon and replace the damaged 6" water main crossing 56 Hwy at Cedar Street**
- 7. Consider authorizing the execution of Change Order #2 for Prairie Trace Sanitary Sewer Improvements**
- 8. Consider authorizing the execution of a contract with Amino Brothers Co., Inc. for the Waverly Road, US-56 to Fountain St Project**
- 9. Consider authorizing the execution of a contract with Asplundh Tree Expert, LLC for the 2021-2025 Electric Line Clearance Tree Trimming Program**
- 10. Consider authorizing the execution of a Change Order with Phoenix Concrete LLC. for the 2021 Pavement Management Program (PMP) – Concrete project**

Councilmember Winters asked to remove item 8 from the Consent Agenda.

Councilmember Gregorcyk asked to remove item 5 and 9 from the Consent Agenda.

Councilmember Deaton made a motion to approve items 1-4 and 6-7 and 10 on the Consent Agenda.

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Councilmember Baldwin Seconded.

With all of the Councilmembers voting in favor of the motion, the motion carried.

***Discussion of Consent Agenda Item 5, Consider authorizing the execution of U.S. Department of the Treasury Coronavirus State and Local Fiscal Recovery Funds Terms and Conditions and Title VI Assurances in connection with the American Rescue Plan Act***

Councilmember Gregorcyk asked what the disbursement is, how is it made, what is it intended for? Director Wolff said the total disbursement is around \$3.3 Million. It will come in two disbursements. The first half will be in July, and the next one will be 12 months after the first. There are general guidelines for use. Staff is researching the details and will return to council before spending funds. Water and sewer infrastructure are included, but roads are not. The funds could help reduce future rate impacts on ratepayers. The state recommends using it for one-time infrastructure improvements.

Councilmember Gregorcyk made a motion to authorize the City Administrator to execute the U.S. Department of Treasury Coronavirus State and Local Fiscal Recovery Funds Terms and Conditions and Title VI Assurances in connection with the American Rescue Plan Act.

Councilmember Deaton Seconded.

With all of the Councilmembers voting in favor of the motion, the motion carried.

***Discussion of Consent Agenda Item 8, Consider authorizing the execution of a contract with Amino Brothers Co., Inc. for the Waverly Road, US-56 to Fountain St Project***

Councilmember Winters noted it came in below budget. Pruetting confirmed. Winters asked if this would connect a sidewalk to Kill Creek Rd. Pruetting confirmed, they will get a trail from Waverly to Kill Creek Rd. All options discussed, the extension south of Santa Fe to 56, north of Madison to Fountain St, are going to be in the project.

Councilmember Winters made a motion to authorize the City Administrator to execute a contract with Amino Brother Co., Inc. for the Waverly Road, US-56 to Fountain St Project in the amount of \$2,378,159.45 and authorize the City Administrator to approve construction related Change Orders up to an additional \$120,000 (5%).

Councilmember Deaton Seconded.

With all of the Councilmembers voting in favor of the motion, the motion carried.

***Discussion of Consent Agenda Item 9, Consider authorizing the execution of a contract with Asplundh Tree Expert, LLC for the 2021-2025 Electric Line Clearance Tree Trimming Program***

Councilmember Gregorcyk asked if staff could self-perform with equipment and staffing. Staff provided a thorough response via email. Gregorcyk asked at what point they are able to self-perform. Director Garcia said with power lines there would be an additional safety concern. They would need to hire personnel with experience in this work. They would also need to provide equipment. Staff provided costs associated with that. The cost savings between outsourcing and in-house is minimal, and that doesn't account for the safety aspect. Gregorcyk said they have done it for so many years, and thought there was opportunity to consider in-house. Garcia said he can look into it. Councilmember Roberts said it's a worthwhile and valuable service. Councilmember Baldwin said the safety issue is a problem. They never get ahead; now they are in a maintenance phase. As long as there is a safety issue, and the city doesn't have resources, they can't self-perform soon.

Councilmember Gregorcyk made a motion to authorize the City Administrator to execute a five-year contract with Asplundh Tree Expert, LLC for the 2021-2025 Electric Line Clearance Tree Trimming Program in the amount of \$55,000 per year.

Councilmember Deaton Seconded.

With all of the Councilmembers voting in favor of the motion, the motion carried.

### **PLANNING & ZONING CONSENT AGENDA**

- 1. Consider accepting the dedication of right-of-way and easements on the final plat for Aspen Creek V**
- 2. Consider accepting the dedication of right-of-way and easements on the final plat for Meadows of Aspen Creek II**

Councilmember Deaton made a motion to approve the Planning & Zoning Consent Agenda.

Councilmember Baldwin Seconded.

With all of the Councilmembers voting in favor of the motion, the motion carried.

### **COMMITTEE RECOMMENDATIONS**

- 1. Consider adopting an ordinance approving a rezoning from C-O (Office building) and RP-3 (Planned Garden Apartment) Districts to R-2 (Two-Family Residential) District located at the Northwest corner of 175<sup>th</sup> Street and Kill Creek Road**

Planner Bob Case said this is an example of a fill-in development on the west side. It was part of a project in the early 2000s that never developed. The reason for the zoning change is that a small piece was zoned for office, while the rest was zoned for garden apartment. The R-2 is less intensive zoning for duplex development.

Councilmember Gregorcyk made a motion to accept the recommendation of the Planning Commission and approve an ordinance changing the zoning classification of districts of certain lands located in the City of Gardner, Kansas, under the authority granted by Title 17 of the Municipal Code of the City of Gardner, Kansas

Councilmember Deaton Seconded.

With all of the Councilmembers voting in favor of the motion, the Ordinance passed and was assigned Ordinance number 2707.

Roberts:	Yes
Baldwin:	Yes
Deaton:	Yes
Winters:	Yes
Gregorcyk:	Yes
Shute:	Absent

- 2. Consider authorizing the execution of a contract for the 2021 Cured In Place Pipe (CIPP) Rehabilitation project**

Utilities Director Gonz Garcia provided a brief background that the Infiltration & Inflow (I&I) program was a recommendation from the 2017 Wastewater Master Plan. The program was implemented in 2018. The city's consultant did flow monitoring and field investigation and identified Big Bull 2 Sub Basin as having the highest priority. In 2019, they made some repairs, and now they are moving to this repair. This process is called Cured In Place Pipe (CIPP), in which the existing clay pipe will be coated with a resin that will basically form a new pipe inside the existing pipe, sealing all the cracks and split joints. It is a trenchless method. They will recoat around 2 miles of pipe.

Councilmember Gregorcyk asked how they verify that the length of pipe has been sealed. Garcia said they would do new flow monitoring tests to verify how much I&I is reduced. When this coating is used, they can expect 30-40% reduction. It will also extend life of the clay pipe for 20-30 years. The process is a liner that goes between manhole to manhole that is inflated and seals cracks on the interior of the pipe.

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Councilmember Deaton made a motion to authorize the execution of a contract for the 2021 CIPP Rehabilitation project to SAK Construction, LLC., in an amount not to exceed \$399,516.50

Councilmember Gregorcyk Seconded.

With all of the Councilmembers voting in favor of the motion, the motion carried.

### **3. Consider authorizing the implementation of a Pilot Utilities Rebate Program for 2021 to be funded from the Electric Fund and from the Water Fund**

Utilities Director Gonz Garcia said the city had an LED incentive program sponsored by the state in 2010. Residents who opened new accounts with the city were given 5 LED light bulbs. The program lasted one year. In 2017, UAC asked if there was a rebate program. Staff research discovered that many rebate programs were focused on installation of smart thermostats, LED bulbs, and other energy efficient appliances. Last year, UAC asked if staff could implement a residential rebate program, focusing on thermostats, LED bulbs, smart power strips, and water irrigation controllers. Home Depot and Ace Hardware can help implement this program using a coupon system. They can do a percentage off or set dollar amount. Staff is seeking approval from council before beginning.

Councilmember Deaton noted that they can only purchase items at Home Depot or Ace. If her HVAC company installs a smart thermostat when they replace her air conditioner, that wouldn't count because the coupon is only for those two stores. Garcia said it would be a council decision on how much flexibility they want to provide.

Councilmember Gregorcyk asked if it would be first come/first served. Garcia confirmed, up to the cap limit.

Councilmember Roberts likes the local component, but also supports accepting receipts if an item is purchased somewhere else. Garcia said the reason they chose the two stores is that they can give a coupon. If someone purchases a thermostat with a \$100 rebate, that will be billed to the city. How will staff do that manually? Roberts suggested a credit on the next month's utility bill. Garcia said that will include other departments and staff. Deaton said they can submit receipts for approval, but that involves Finance mailing checks. Deaton asked why Lowe's wasn't included. Garcia said Ace is in town, and Home Depot is 3 miles up the highway, and Walmart doesn't have the variety of products.

Councilmember Baldwin said the theory is that residents would use less, the city generates less, but that doesn't happen. He researched and found nothing about these programs that is beneficial to the utility. If it's not beneficial to the utility, then the city is subsidizing someone's purchase. He is not in favor of the program, unless they can produce data that shows benefit to the city's load factor. Councilmember Gregorcyk said if there is a positive, it's negligible.

Councilmember Deaton said the packet instructed residents to call and get pre-approval. Garcia said they would publish what devices are included. Deaton asked if residents would print off a coupon and take it to the store. Garcia said Home Depot give the coupons to the city, and staff provides it to the customer. Councilmember Roberts said it will take staff time. Many will go through their own HVAC and not use this service. There is no good way to reimbursing them without causing more work.

Director Garcia brought the recommendation from the UAC for the council. Baldwin said there isn't a return on investment. Councilmember Winters doesn't think it's the right project for the city.

The item failed due to lack of motion.

### **OLD BUSINESS**

### **NEW BUSINESS**

#### **1. Consider adopting a resolution authorizing the public sale of certain General Obligation Bonds of the City of Gardner, Kansas**

Finance Director Matt Wolff said the city is scheduled to sell approximately \$5,100,000 principal amount of General Obligation Bonds (Series 2021A) and approximately \$2,255,000 of principal amount of taxable General Obligation

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Bonds (Series 2021B) on July 19, 2021, at 11:00 a.m. The bond sale documents prepared by Municipal Advisor Kimmel included the estimated costs of issuance and debt service schedules for wastewater system improvements, current refunding of 2011A and 2012A bonds, and current refunding of 2019C and 2019D temporary notes. This resolution authorizes preparations to facilitate the sale of the bonds.

Councilmember Winters asked why the sale was set so far in the future. Director Wolff said there's a few weeks before moving on to the next step in the bond sale process. Bond Counsel Tyler Ellsworth said they need time to work with staff and with Ehlers to prepare the offering document, gather and verify the information, and then time to publish the offering document to the market ahead of the sale. The process typically takes 4-6 weeks.

Councilmember Deaton made a motion to adopt a resolution authorizing the offer for public sale of certain General Obligation Bonds of the City of Gardner, Kansas

Councilmember Gregorcyk Seconded.

With all of the Councilmembers voting in favor of the motion, the Resolution passed and was assigned Resolution number 2085.

Baldwin:	Yes
Deaton:	Yes
Winters:	Yes
Gregorcyk:	Yes
Roberts:	Yes

**2. Consider accepting a voluntary annexation with landowner consent**

Planner Bob Case said this is a voluntary annexation comprised of 100 acres between Madison and 167<sup>th</sup>, and Poplar and Waverly.

Councilmember Baldwin asked why this is coming forward now. Mr. Case said they have an application for rezoning from RUR to R-4.

Councilmember Deaton made a motion to accept the Voluntary Consent Annexation request of the Beverly Burgdorfer Revocable Trust property, for Jude Burgdorfer and Janet Davis, Trustees and adopt Ordinance No. 2708, an ordinance annexing land to the City of Gardner, Kansas

Councilmember Baldwin Seconded.

With all of the Councilmembers voting in favor of the motion, the Ordinance passed and was assigned Ordinance number 2708.

Deaton:	Yes
Winters:	Yes
Gregorcyk:	Yes
Roberts:	Yes
Baldwin:	Yes

**COUNCIL UPDATES**

City Clerk Rose noted that the state recently changed the liquor law regarding Sunday sales. The new law changes the time that stores can sale from noon to 9am. In order for the city to comply with the new law, staff will bring forward a new ordinance.

Finance Director Wolff thanked his staff and especially Fiscal Manager Nancy Torneden for their work on the audit, the annual report, and the budget. This wasn't a normal budget award; last year there were a lot of changes to the requirements. They met those requirements and had a consecutive award. Wolff is proud of them.



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Deputy Administrator Nasta reminded the governing body that, as they go to election season and attend public events, they should notify staff if there is a need to publish a notice of quorum.

Utilities Director Garcia said WaterOne is about 50% finished with the water extension to Grata, and should be complete in the next month. Boring across I-35 for the sewer started last week and should be done by July 4. There was a delay on chemicals at the Hillsdale Water Treatment Plant, but they should start producing water this week.

Recreation Superintendent Holopirek said the pool is fully functional, with full staff and services. They had a high attendance of about 1300 people over the weekend. They continue to sell pool passes daily. They are two weeks out from the Independence Day celebration and people are excited.

Planner Case corrected the zoning on the Burgdorfer annexation. The zoning application is actually going to be for single-family, not R-4.

Public Works Director Headlee has a PWAAC meeting next Monday night at the Senior Center. Council approved initiating condemnation for right-of-way on the US 56 project recently. They have had to do that on 5 properties. Staff provided the condemnation procedure schedule to KDOT, and using their project timelines, they have revised the bid letting to October. Pruetting said they won't begin until all properties are acquired. Construction won't start until November. Baldwin asked why those businesses don't want a new road. Headlee said they are large corporate businesses with offices in other states, and our small ROW acquisition is not a priority.

City Administrator Pruetting said regarding truck traffic, it was suggested raising or doubling fines. They would need to change the ordinance. The prosecutors have no issue raising or doubling the fines in a specific area, or all truck routes. Pruetting recommended setting it everywhere, and asked if there is consensus to double the fine to \$200. Councilmember Roberts supported the \$200 fine on all truck routes. Gregorcyk agreed, and asked if that would include signage. Pruetting said staff are working on signage on Cherokee and in other places, and are considering larger signs. Gregorcyk said the community will appreciate it, and hope they see the desired outcome. Pruetting said they are revising SWJC area plan and will narrow focus to traffic on the southwest.

Councilmember Gregorcyk asked if staff is ready for the air show. Chief Belcher said they have had meetings, and will be going through an exercise this week, and operations plan is ready. Gregorcyk asked if the firehouse will be headquarters. Belcher said it will be command central. The Justice Center will also be open for other agencies, but the parking lot will be closed to the public. Gregorcyk asked how they will know what kind of sales tax and transient guest tax will be generated from the air show. Director Wolff said sales tax numbers are aggregated on a monthly basis, so they aren't able to define special events. Belcher said they have submitted an estimated invoice to the air show for what it costs for city staff, so they will get that money back. Gregorcyk said they can compare year to date to previous years. Wolff said sales tax is already up 16% this year, but he will try to find something. Gregorcyk asked about COVID funding. Is there a priority list that would align with requirements? Pruetting said they will have a work session once there is detailed guidance. Winters supports a work session. Gregorcyk said it equates to 13.2 mills. Pruetting said they have a great need in sewer infrastructure.

Councilmember Winters thanked Finance Director Wolff and his finance staff for their 7<sup>th</sup> consecutive budget award. Winters noted they can look at revenues and comparisons on the air show and Independence Day celebration, but the publicity alone will be good. National networks will cover it; it's great exposure. Gregorcyk said it's a great boon for the city.

**EXECUTIVE SESSION**

**ADJOURNMENT**

There being no further business to come before the Council, on a motion duly made by Councilmember Deaton and seconded by Councilmember Baldwin the meeting adjourned at 8:39 p.m.

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City Clerk

# City of Gardner, KS

## Council Actions

June 21, 2021

The City Council took the following actions at the June 21, 2021, meeting:

1. Heard a presentation of the 2020 Audit and Comprehensive Annual Financial Report
2. Heard a presentation awarding the City of Gardner with the GFOA Distinguished Budget
3. Heard a presentation on the 2021-2022 Budget
4. Approved the minutes as written for the regular meeting on June 7, 2021. (Passed unanimously)
5. Approved City expenditures prepared June 1, 2021 in the amount of \$10,925.20; June 4, 2021 in the amount of \$808,906.30; June 7, 2021 in the amount of \$22,154.82; and June 10, 2021 in the amount of \$950,861.01. (Passed unanimously)
6. Authorized the City Administrator to execute a contract with Gardner Animal Hospital for boarding and care of impounded animals at the following amounts for the next three years: Year 1 - \$104,520.00, Year 2 - \$109,680.00, and Year 3 - \$115,200.00. (Passed unanimously)
7. Authorized the City Administrator to execute a contract with Brungardt Honomichl & Co., P.A. for construction inspection services on the US-56, Sycamore to Old 56 Reconstruction Project in an amount not to exceed \$427,828.00. (Passed unanimously)
8. Authorized the City Administrator to execute the U.S. Department of Treasury Coronavirus State and Local Fiscal Recovery Funds Terms and Conditions and Title VI Assurances in connection with the American Rescue Plan Act. (Passed unanimously)
9. Authorized the City Administrator to execute a contract with Cohorst Enterprise Inc., to abandon and replace the 6" water main crossing 56 Hwy at Cedar Street, in the amount of \$43,000.00. (Passed unanimously)
10. Authorized the City Administrator to execute Change Order #2 for a materials price increase for the Prairie Trace Sanitary Sewer Improvements in the amount of \$27,600. (Passed unanimously)
11. Authorized the City Administrator to execute a contract with Amino Brothers Co., Inc. for the Waverly Road, US-56 to Fountain St Project in the amount of \$2,378,159.45 and authorize the City Administrator to approve construction related Change Orders up to an additional \$120,000 (5%). (Passed unanimously)
12. Authorized the City Administrator to execute a five-year contract with Asplundh Tree Expert, LLC for the 2021-2025 Electric Line Clearance Tree Trimming Program in the amount of \$55,000 per year. (Passed unanimously)
13. Authorized the City Administrator to execute Change Order No. 1 with Phoenix Concrete LLC. for the 2021 PMP - Concrete project in an amount not to exceed \$76,763.58. (Passed unanimously)
14. Accept the dedication of right-of-way and easements on the final plat for Aspen Creek V (FP-20-12). (Passed unanimously)
15. Accept the dedication of right-of-way and easements on the final plat for Meadows of Aspen Creek II (FP-20-13). (Passed unanimously)
16. Accepted the recommendation of the Planning Commission and approved Ordinance No. 2707, an ordinance changing the zoning classification or districts of certain lands located in the City of Gardner, Kansas, under the authority granted by Title 17 of the Municipal Code of the City of Gardner, Kansas. (Passed unanimously)
17. Authorized the execution of a contract for the 2021 CIPP Rehabilitation project to SAK Construction, LLC., in an amount not to exceed \$399,516.50. (Passed unanimously)
18. Disapproved the implementation of a Pilot Utilities Rebate Program for 2021 to be funded by the Electric Fund in the amount of \$25,000 and the Water Fund in the amount of \$7,500. (Item failed due to lack of motion)
19. Adopted Resolution No. 2085, a resolution authorizing the offer for public sale of certain General Obligation Bonds of the City of Gardner, Kansas. (Passed unanimously)
20. Accepted the Voluntary Consent Annexation request of the Beverly Burgdorfer Revocable Trust property, for Jude Burgdorfer and Janet Davis, Trustees and adopted Ordinance No. 2708, an ordinance annexing land to the City of Gardner, Kansas. (Passed unanimously)